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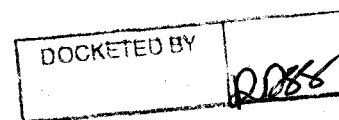
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September 14, 2011

Hon. Lyn Farmer  
Chief Administrative Law Judge  
Hearing Division  
ARIZONA CORPORATION COMMISSION  
1200 West Washington Street  
Phoenix, Arizona 85007

Arizona Corporation Commission  
**DOCKETED**

SEP 14 2011



RE: Arizona Public Service Company's Late-Filed Exhibit 21  
Docket No. E-01345A-10-0474

Dear Judge Farmer,

Please consider this letter as Late-Filed APS Exhibit 21. It includes Arizona Public Service Company's ("APS" or "Company") responses to questions posed during the hearing.


APS was asked by Commissioner Burns to identify the estimated costs incurred by APS to wind down the operations at Four Corners Units 1-3 (see transcript at 783). APS's current estimate to wind down Units 1-3 is approximately \$20 million. These costs will be incurred between the acquisition date of Southern California Edison's interest in Four Corners Units 4 and 5 (current anticipated closing date of October 2012) through 2016.

Beyond the initial wind down of Units 1-3 ending in 2016, APS will fully decommission the Four Corners site, which is anticipated to be closed in 2038. The currently estimated cost associated with the full decommissioning of Units 1-3 is \$41.8 million in 2010 dollars, much of which has already been reflected in rates to date through an annual charge to depreciation expense.

Lastly, APS was asked by Commissioner Newman to identify how many jobs will be affected by APS's proposed transaction (see transcript at 792). In 2010, the Four Corners Power Plant and the BHP Navajo Mine collectively employed about 1,000 employees. APS estimates that about 350 positions will eventually be eliminated through voluntary separation and retirement, i.e. attrition (see Mark Schiavoni Hearing

Testimony at 361 and Jeff Guldner Hearing Testimony at 866) resulting in a total combined workforce of approximately 650 employees between the plant and the mine. Of those, about 350 will work at the plant and about 300 will work at the mine.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeff Guldner", with a long horizontal flourish extending to the right.

Jeff Guldner

JBG/dk

Cc: Parties of Record

Copy of the foregoing delivered  
this 14<sup>th</sup> day of September, 2011 to:

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